

**HOUSE BILL NO. 1175
CREATION AND ENACTMENT OF TITLE 32, N.D.C.C.
RETROACTIVE BUSINESS IMMUNITY FROM COVID-19 LIABILITY CLAIMS**

North Dakota Bankers Association supports [HB 1175](#), which protects businesses from civil liability lawsuits for their decisions made during the COVID-19 pandemic.

First, banks may have been more prepared than most businesses. Back in 2007, when the Avian flu was a topic, banks developed pandemic preparedness plans that would minimize the potential adverse effects of a pandemic. Before COVID-19 was declared a pandemic, the North Dakota Department of Financial Institutions issued a [memorandum](#) directing banks to review those preparation plans.

In March 2020, the Cybersecurity and Infrastructure Security Agency (CISA) issued guidance identifying financial services sector workers as essential critical infrastructure workers during the COVID-19 emergency.¹ Essential workers included those needed to process and maintain systems for processing financial transactions and services; those needed to provide consumer access to banking and lending services; and those supporting financial operations. At the time, U.S. Treasury Secretary Steven T. Mnuchin stated: “The American people need access to financial sector services, and State and local governments must ensure the continuity of critical financial sector functions. Everyone should follow guidance from the Centers for Disease Control and Prevention as well as State and local officials regarding strategies to limit disease spread.”²

While open, North Dakota banks have done just that. They were there to make sure their customers had what they needed and made special accommodations for their customer throughout the pandemic. Banks took all of the precautions they could to protect their customers and their employees while continuing to provide continued financial services, loans and support to their customers and communities. Banks provided closed or reduced services by providing drive-up only and requiring other services to be provided by appointment. Moreover, banks were essential to the survival of other North Dakota businesses, issuing more than \$1.7 billion in PPP loans during the pandemic.³

North Dakota banks did their best and we are proud of what they have done for our communities. NDBA supports HB 1175 because despite our banks’ best efforts, no business can fully prepare for or take control of a pandemic. This law would protect our North Dakota banks from frivolous lawsuits while still providing protecting for those who are wrongfully harmed.

The North Dakota Bankers requests a “Do Pass” recommendation on House Bill 1175.

¹ Identification of Essential Critical Infrastructure Workers During the COVID-19 Response Efforts, FIL-25-2020, March 26, 2020, available at <https://www.fdic.gov/news/financial-institution-letters/2020/fil20025.html>; SR-20-6: Identification of Essential Critical Infrastructure Workers in the Financial Services Sector During the COVID-19 Response, available at <https://www.federalreserve.gov/supervisionreg/srletters/SR2006.htm>.

² Statement by Secretary Steven T. Mnuchin on Essential Financial Services Workers, available at <https://home.treasury.gov/news/press-releases/sm956>.

³ <https://www.grandforksherald.com/news/government-and-politics/6565412-North-Dakota-companies-got-more-than-1.7-billion-in-PPP-loans-during-pandemic>; <https://www.washingtonpost.com/business/2020/05/15/north-dakota-small-business-ppp-coronavirus/>.